

*State  
Representative*  
**Sharon  
Tomiko  
Santos**  
*37th District*



**District Office:**

219 First Ave. S., Suite 205  
Seattle, WA 98104  
(206) 587-5549

**Olympia Office:**

434A Legislative Bldg.  
PO Box 40600  
Olympia, WA 98504-0600  
(360) 786-7944

**E-mail:**

Santos.SharonTomiko@leg.wa.gov

**Web Site:**

[www.housedemocrats.wa.gov/members/santos](http://www.housedemocrats.wa.gov/members/santos)

**Legislative Hotline:**

1-800-562-6000

**TDD (for hearing impaired):**

1-800-635-9993

**Committees:**

Education  
Finance  
Financial Institutions and Insurance  
Rules  
Executive Rules

**Legislative Assistant:**

Tia Durham

# 2010 Update from Olympia

February 2010

Dear Neighbor,

Greetings from Olympia! The 2010 Legislative Session, which began on January 11, is now well underway. The single most daunting task of this short 60-day term is to revise the 2009-2011 biennial budget in light of the considerable changes in our state's economic circumstances since the Legislature adopted it.

Last year, the difference between our income (tax revenue) and the cost to maintain essential state services was approximately \$9 billion. Legislators made difficult choices to produce the balanced budget required by law. We reduced spending on some programs and services, we spent some of the "rainy day" savings, and we used one-time federal recovery dollars to plug the remaining holes in the largest budget gap in state history.

Unfortunately, our fiscal situation is worse today as the recession continues to grip our economy. As families economize and cut back on consumer spending, state sales tax collections are sliding. At the same time, more Washingtonians are seeking state support and services such as unemployment benefits, food stamps, and housing assistance. Indeed, many of our neighbors are turning to public programs for the first time in their lives. These circumstances led to the additional \$2.6 billion shortfall in the budget we so painfully constructed last year.

There is reason to be uneasy about how the Legislature will close the budget gap this year. The state will not likely receive any additional assistance money from the federal government. We already reduced funding significantly in the adopted 2009-2011 budget, so further cuts will virtually eradicate non-compulsory public services. And, as I mentioned in my last newsletter, the \$750 million reserve left in the rainy day fund last session was essentially eliminated by subsequent economic forecasts.

Without question, every Washingtonian will share in the pain of this supplemental budget. My highest priority is to protect the lives of the most vulnerable in our communities, those who are least able to absorb cuts in programs and services. I trust you share this commitment too.

Please take a moment to read the enclosed information and let me know about your questions and concerns. I have included a section on the many ways you can connect to the Legislature and become engaged in this process. I urge you to participate because, more than ever before, we all need to be part of the solution!

Sincerely,

**Sharon Tomiko Santos**  
**State Representative**  
**37<sup>th</sup> District**



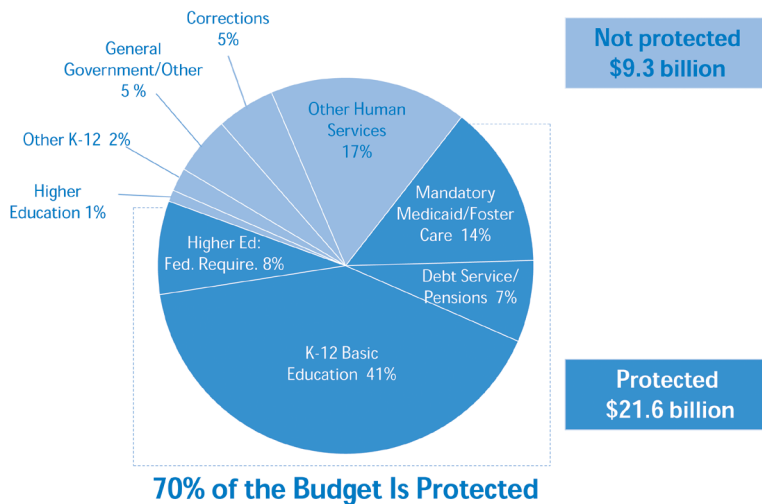
# Rep. Sharon Tomiko Santos - 37th Legislative District

## WHERE TO CUT?

The chart below shows that almost three-quarters of the state budget is considered “protected.” Legislators cannot make cuts in the protected areas because these include programs or services mandated by state constitution or federal law. Thus, reductions in spending will primarily come from the smaller portion that remains.

### Majority of \$31 Billion Budget Is Protected:

Tied to state constitutional or federal requirements



## WE CAN'T GET THERE FROM HERE...

### EXAMPLES OF CUTS TO CLOSE THE BUDGET GAP

*Note: These examples, from the state Office of Financial Management, illustrate the magnitude of this year's budget situation. Please note, however, that these are only examples and not actual proposals.*

- Eliminating all state-funded environmental and natural resource protection, and all recreation and parks programs. **Savings: \$364 million.**
- Eliminating all state support for cultural and art organizations, and all early learning programs. **Savings: \$164 million.**
- Eliminating 23 of smallest general fund agencies. **Savings: \$52 million.**

Additionally, the Governor said last fall:

- Eliminating all community colleges, and closing the Departments of Commerce and Revenue, **would still only save \$1.72 billion.**
- Cutting all state funds for the University of Washington and Washington State University **would save \$1 billion – less than half of what is needed to balance the budget.**

## STATE TAX COLLECTIONS:

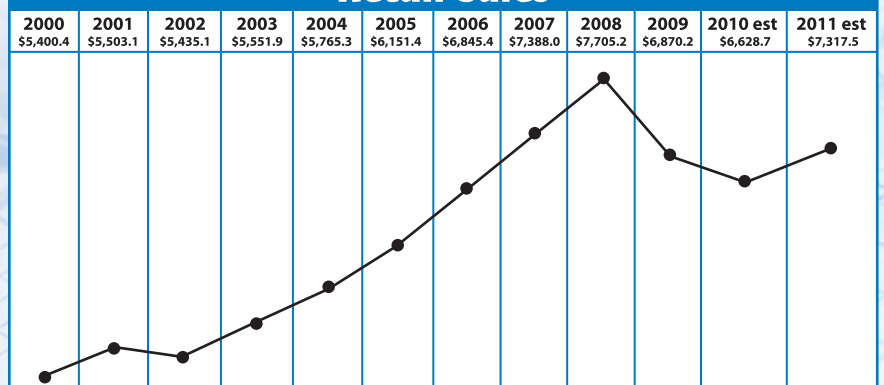
### TODAY vs 10 YEARS AGO

As the chart shows, retail sales tax revenues in our state increased annually between 2000 and 2008. In 2009, however, sales tax receipts dropped to near 2006 levels: earlier this year, the Washington State Department of Revenue reported that taxable retail sales declined 11.6 percent between July and September 2009, the third steepest decline on record. Receipts are predicted to slide further in 2010 and the projected 2011 increase in tax collections is not expected to reach even the revenue levels of 2007.

Understandably, consumers are not spending as much money today as in years past. This has a noticeable effect on the state budget since over 50 percent of our state's revenue comes from sales taxes. Until we adopt a comprehensive tax system that provides adequate resources in a more equitable fashion – a goal that cannot be accomplished in this 60-day session – our state will continue to overly depend upon consumer spending to support basic public services.

Consumer confidence and economic recovery clearly go hand-in-hand: when workers enjoy full employment and job security, consumer spending is likely to rise. The Governor's proposal to create 40,000 new jobs is one of many ideas to re-invigorate our state economy and put people back to work. I welcome these opportunities to invest in Washington residents and in the future of our state.

### Retail Sales





# 2010 Update from Olympia

## HOW CAN I GET INVOLVED?

The solution to this budget crisis will require everyone's participation more than ever before. Here is a handy guide to help you stay on top of the issues and in touch with the Legislature:

**The Legislative Hotline, a fast,  
FREE way to contact me:  
1-800-562-6000.**


### Keep track of legislation:

Each piece of legislation considered in Olympia is called a bill. Every bill receives an identification number when it is filed. A bill that originates in the state House of Representatives begins with the letters "HB." Those originating in the Senate begin with the letters "SB." The Legislature's website has a handy search feature that enables you to look up any legislation either by bill number or by keyword: <http://apps.leg.wa.gov/billinfo/>

Note: The search feature will retrieve legislative documents dating back to 1991.



### RSS feeds:

If you want to track the progress of a particular bill, you can subscribe to an RSS feed to receive immediate notification about its activity. Through the legislative website, click on this graphic  (in orange) next to a bill number to sign up for a "news feed" for that bill.

### Public testimony:

In order to advance through the legislative process, a bill must receive a public hearing in a committee of appropriate policy jurisdiction. This is an opportunity for anyone to speak directly in support for or in opposition to the bill before the legislative members of the committee. Although you will need to travel to Olympia to testify in person, your opinion will be included in the official record. Please contact my office at (360) 786-7944 if you are interested in testifying and need further information.

When visiting Olympia, please refer to the following link for state capitol campus parking information:

<http://www.leg.wa.gov/legislature/Pages/Parking.aspx>  
or call the Visitor Information Center at (360) 586-3460.

## TVW: WASHINGTON'S OWN VERSION OF C-SPAN

You can also keep an eye on committee hearings and legislative floor action from the comfort of your home through the services of TVW. TVW broadcasts on Channel 23 with Comcast and on Channel 95 with Broadstripe. Video from all televised programming, as well as from hearings and floor action that were not aired, are available online at [www.tvw.org](http://www.tvw.org).

My legislative website, [www.housedemocrats.wa.gov/members/santos](http://www.housedemocrats.wa.gov/members/santos), features some TVW video footage and is constantly updated with new clips. There is also a link to communicate with me directly through e-mail.



# Rep. Sharon Tomiko Santos - 37th Legislative District

## FINANCIAL SECURITY

High-profile bank failures across the nation as well as here at home focused public attention on the critical role of bank regulators. In Washington state, the Department of Financial Institutions (DFI) oversees the safety and soundness of our banking system and protects consumer access to financial products and services. When the Department determines that a bank is not able to maintain sufficient capital to cover its financial

obligations, our state regulators move swiftly to preserve existing assets and to ensure an orderly transfer of business to other hands.

In addition to monitoring state-chartered banks and credit unions, DFI supervises many other businesses and professionals engaged in

financial activities, including mortgage brokers, escrow agents, and loan originators. The agency aggressively works to protect the public from potential financial fraud through stringent licensure requirements and vigilant business examinations. This is one reason that Washington state can boast one of the lowest foreclosure rates in the nation.

While these are important functions to ensure the overall security of our financial system, I am especially pleased to highlight the work of DFI in promoting financial education for consumers. The agency website ([www.dfi.wa.gov](http://www.dfi.wa.gov)) provides information and links to community resources to help people manage their financial decisions. You can access the latest alerts and learn how to detect and protect yourself from fraud. DFI is also an active member of the Washington State Financial Education Public-Private Partnership, aims to improve the financial education of students throughout our state.



### 37th Legislative District TOWN HALL MEETING

Date:  
February 20, 2010

Time:  
10:00 a.m. to 12:00 p.m.

Location:

Zion Preparatory Academy  
4730 32nd Avenue South  
Seattle, WA 98118-1702

For more information:  
360-786-7944

or

Email:

[santos.sharontomiko@leg.wa.gov](mailto:santos.sharontomiko@leg.wa.gov)

Please join me and other  
legislators from the  
37th District as we answer  
your questions about the  
2010 Legislative Session.

Rep. Sharon Tomiko Santos

P. O. Box 40600

Olympia, WA 98504-0600

Printed on recycled paper

PRSR STD  
US POSTAGE PAID  
WA STATE DEPT  
OF PRINTING 98501